

**COUNCIL ACTION FORM**

**SUBJECT: IOWA STATE UNIVERSITY RESEARCH PARK PHASE III –  
WATER MAIN AND SANITARY SEWER CONSTRUCTION**

**BACKGROUND:**

In support of the ISU Research Park Phase III expansion, the City designed needed utility and roadway improvements. The roadway improvements are primarily funded by a Revitalizing Iowa's Sound Economy (RISE) Grant, as approved by City Council on October 14, 2014. The water and sewer infrastructure is financed by creation of a tax increment financing (TIF) district.

On April 28, 2015 City Council awarded the utility project to J&K Contracting of Ames in the amount of \$798,589. Staff administratively approved Change Order No. 1 in the amount of \$5,225 for additional bat habitat evaluation and Change Order No. 2 in the amount of \$5,993.17 for a temporary access driveway. Change Order No. 3 (Balancing) in the amount of \$39,412.30 was issued to adjust the plan quantities to reflect actual field quantities which brings the total change order amount to \$50,630.47.

The project funding and estimated construction expenses are shown below:

	<u>Funding</u>	<u>Expenses</u>
TIF Abated GO Bonds (utility portion)	\$ 1,528,200	
Water Main (Actual)		\$ 378,811.28
Sanitary Sewer (Actual)		\$ 409,116.19
Engineering/Administration		\$ 157,500.00
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Total	<u>\$ 1,528,200</u>	<u>\$ 945,427.47</u>

Any unused TIF Abated General Obligation Bonds from this utility project will be utilized to cover any cost overruns from the roadway construction.

**ALTERNATIVES:**

1. Approve Change Order No. 3 (balancing) and accept the Iowa State University Research Park Phase III – Water Main and Sanitary Sewer as completed by J&K Contracting of Ames in the amount of \$787,927.47.
2. Direct staff to pursue modifications to this project.

**MANAGER'S RECOMMENDED ACTION:**

Accepting the project will accomplish the goal of installing and accepting the utility infrastructure ahead of the opening of the ISU Research Park Hub Building. The Engineer has certified that this project was completed in accordance with the approved plans and specifications.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.